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RURAL AREAS DEVELOPMENT

newsletter

January 1962

No. 40

*We must show the
world what a
free economy can do
...to put unused
capacity to work,
spur new
productivity and
foster higher
economic growth.
President Kennedy.*

SECRETARY SUGGESTS RURAL RENEWAL PROGRAM

● Secretary of Agriculture Orville L. Freeman suggested at the Land and People Conference, held in Washington, January 15, that the time may be just right for a rural renewal program, patterned to a great degree after the urban renewal plan now being used by cities to redevelop their areas.

Over 450 persons from many fields of activity -- State and Federal governments, conservation, recreation and sports, civic and religious groups, education, farm organizations, rural and urban planning, cooperative organizations, and credit specialists -- were in attendance at the one-day conference.

Secretary Freeman outlined his rural renewal plan, while calling upon the national leaders to help the Department develop new ideas for using land no longer needed for farm production.



Commented the Secretary: "The technological revolution in agriculture has placed us in a position where we are producing and can produce for the foreseeable future more food and fiber than we can effectively use."

This revolution in agriculture "has brought us face to face with what I consider three basic questions affecting land resources," Secretary Freeman declared.

"First, there is good land which is producing crops that we cannot use effectively, thus adding to our surplus problem. About 40 percent of our farms today produce 87 percent of the total agricultural output. If adjustments in production are to be made, we will need to find ways to make better use of some of this land. What should we do about this?



"Second, there is a rapidly developing appetite for recreational resources, and there is general consensus on the need for more open space -- green areas -- in the growing sprawl of urban areas. This relates to the need for developing alternate land uses. What should we do about this question?

"Third, there is the equivalent of 1,400,000 underemployed persons in the rural economy. Over half the people in this country who live in poverty are located in rural areas. Almost 60 percent of the Nation's farms produce only about 13 percent of the agricultural output. Obviously this is not generally considered productive farm land. We need to bring new resources into rural areas to begin providing new economic opportunity for these people. What should we do about this?

Secretary Freeman called special attention to the Department's Rural Areas Development program: "We are working together for the best interests of 185 million Americans as we attempt to restore prosperity and economic opportunity to rural America."

PACKAGE SERVICES-- AREA BY AREA, FARM BY FARM



John A. Baker, Director of Agricultural Credit, in his prepared report at the Land and People Conference said: "In a real sense the Federal services available to further rural area development is a long inventory list, each item of which we are trying to improve in effectiveness."

Baker said that Secretary Freeman has directed that arrangements be made to package these USDA services on an area by area basis. "What one individual or one business or one county might not be able to do alone, all of the people of a trade or labor market area might be able to do in a concerted and coordinated way."

To provide service with maximum effectiveness in building more income-adequate full- and part-time farms, steps are being taken to mesh together, on a farm by farm basis, the technical services of Soil Conservation Service, the cost-sharing conservation program of Agricultural Stabilization and Conservation Service and the loan programs of Farmers Administration, rural credit unions, cooperative institutions, and other elements of the national agricultural credit system.

EDITORIAL WRITERS COMMENT ON RAD

● In a recent editorial in the Washington Post, titled "Non-farm jobs for the farmer", the Washington, D. C. newspaper recognized rural areas development aims of providing new opportunities for rural people. Commented the Post editorial "New lines of activity are being opened, some with government help, some without."



"Among the most promising seem to be services catering to travel and outdoor recreation. Wherever there are mountains that offer hikes and views, lakes that will accommodate boats, an attractive rolling landscape that will take a golf course, such opportunities exist."

Ended the editorial: "No single key can unlock the secret of success, but many doors are already open that lead to better nonfarm jobs for the farmer."

● Comment from the Rural Electric Minuteman: -- "Cooperative rural electrification (brought about by REA loans) has been a boon to the countryside. Rural electrification has made possible the development of suburbs where city families are finding a more wholesome environment for their children. They now can keep the advantages of city life and add the benefits of living in the country.

"As cooperative rural electrification has grown, so has business in the factories of the nation's industrial centers; so has the retail business of small merchants everywhere.

" -- everything that rural electrics use was made in the cities by factory workers ... the electrical equipment, appliances, and tools, even the wire that carries the current down the country roads was produced in cities and towns. So were the light bulbs, wall sockets, television sets, toasters, irons, freezers, motors, milking machines, crop dryers, and all the rest.

" -- hundreds of thousands of men and women have well-paying jobs because a vast market, a thriving, busy market and a still unfilled demand for electrical equipment exists in rural America."

ARA LOAN APPROVALS PROVIDE NEW JOBS

● The Area Redevelopment Administration, Department of Commerce, recently approved two industrial loans, one for Ava, Missouri, another for Socorro, New Mexico, which will provide 135 new permanent jobs for residents of these two communities -- rural as well as urbanites.



ARA approved a \$81,250 loan to the Ava Industrial Development Corporation, a non-profit organization, for expansion of a plant leased to a sporting goods manufacturer. The loan, repayable over a 25-year period and bearing an annual four percent interest, will help provide 100 new jobs. Ava is located in Douglas County, which had been certified for ARA designation by the Department of Agriculture.

A \$130,000 ARA loan to a Socorro soft drink bottling concern will provide 35 new jobs. Designation of this New Mexico area was based on the fact that this area had previously been included in the rural development program of the Department of Agriculture.

CITES SIGNS OF RAD PROGRESS

● In a year-end report on Rural Areas Development, Turley Mace, Director of the Office of Rural Areas Development, USDA, commented that 467 rural areas have been designated for ARA help by the Department of Commerce. Another 29 recommended by Agriculture, are still awaiting ARA designation.

Overall Economic Development Plans, covering 388 of these areas, have been received by Agriculture. And 129 of these development plans have been reviewed and sent to

the Department of Commerce. Reported Mr. Mace: "The local people have reacted fast in the four months since we in Agriculture were given the authority last September to process these overall economic development plans for ARA.

"By compiling these plans, the local people have set the stage for economic improvement of their areas." In addition to the OEDP's, the Department of Agriculture has received plans for 32 specific projects, two of which have already received loans from ARA and are in the development stage.

Types of projects proposed include water and sewage plants, meat processing facilities, pulp and paper mill, a soft drink canning company, a lumber manufacturing plant, a ski lift, and others involving recreational and tourism projects.

SECRETARY SAYS RURAL CREDIT UNIONS HELP RAD

● Secretary Freeman has directed John A. Baker to take appropriate steps to fully utilize rural credit unions in the Department's Rural Areas Development program.



"There is no question but that rural credit unions have a definite place in our Rural Areas Development work," Secretary Freeman said. "Rural credit facilities, such as those provided by rural credit unions, are needed in most, if not all, of the Nation's rural areas. Adequate credit is at the very heart of the Rural Areas Development Program."

Secretary Freeman pointed out that rural credit unions supplement other types of lending programs. In addition, rural credit unions mobilize local resources and make them available to rural residents needing to borrow.

"Rural credit unions constitute a proven plan," Secretary Freeman said. "There is no need for experimentation, only application. Rural credit unions are sufficiently flexible in nature to be used on a large or small scale without sacrificing quality of service."

PUBLICATIONS USEFUL TO RURAL AREAS DEVELOPMENT

● "Can Rural Areas Development Help Your Community?" is the name of the new leaflet, just published by Federal Extension Service. The leaflet deals with such important subjects as how to get the RAD program moving, who might be on the local committee, inventorying the local situation, and where to get help. It is available from county extension agents.

● "Soil Conservation" magazine, January 1962 issue, devoted to Soil and Water Conservation projects and their related interests to Rural Areas Development. It is available in single copy from the Soil Conservation Service, U. S. Department of Agriculture, Washington, D. C.

● "Mountain Run Watershed Project", also available from the Soil Conservation Service, U. S. Department of Agriculture, Washington, D. C. tells the Culpeper, Virginia, story - how this Virginia community solved its soil and water problems through cooperation, and subsequently how the area prospered.

● "Keys to Effective Rural Credit Unions", and "The Rural Credit Union" are two leaflets now available from the Information Division, Farmer Cooperative Service, U. S. Department of Agriculture, Washington 25, D. C.

